

## Meeting (28) of Tourism Group – 10:30, Friday 6<sup>th</sup> November 2020

Minister MH,W&WL	WG	Anthony Rosser	UK Hospitality C
Deputy Minister CST	WG	Adrian Greason-Walker	WTA
Jason Thomas - Director	WG	Stephen Jones	WLGA
Mari Stevens	WG	Paula Ellis	SW Forum Chair
Rob Holt	WG	Ian Edwards	VB Board rep
Michael Theaker	WG	Sean Taylor	UK TIC Rep
Lucy Von Weber	WG	Philippa George	SE Forum Chair
Rhidian Morgan	WG	Michael Bewick	North Forum Chair
Tara Croxton	WG	Andrew Campbell	WTA
Jo Starkey	WG	Dave Chapman	UK Hospitality C
Peter Kellam	WG		

*Apologies – Steve Hughson*

Version: Final

### Main points of meeting

#### **1. Minister and Deputy Minister introduction:**

Deputy Minister starts by reporting a positive attitude from the UK Ministerial Tourism meeting and discusses the confidence and resilience in the tourism sector going forward.

Minister discusses the Fire Break and confirms that Welsh Government made a promise to the public to come out at the end of the short FB. Important to honour this, understands that this is difficult as England are going into lockdown with how important the English market is to the sector. Minister asks for feedback on bookings (**Action – group**) and explains that they will be reviewing the situation to what Christmas will look like with the hope for a 4-nation approach. The Minister was keen to point out the positive discussion around the vaccine.

#### **2. Taskforce members raised the following questions;**

- Discussion around the cases, with Wales having 3 areas in the top 10 of the highest rates in the UK. Concerns around the resentment and anger from the industry and the need to look long term. People have to be disciplined, don't like the sacrifices for the short term as behaviour around Christmas will put Wales back in the same position in February.

Minister explains the difficult circumstances of the FB. Work continues around the behaviour of how the public is responding to the instructions from the WG. Clear some areas are not taking the advice, which causes problems as the current approach isn't working in Merthyr and RCT.

Deputy Minister said the whole issue concerns him around the border and inconsistency between Wales and England with the effect on the industry. Did make the point, for a proper high-level intergovernmental agreement when taking radical or problematic action. Agreement yesterday for the 4-nations to come together for the arrangements of Christmas.

- Industry has lost 500,000 jobs during the pandemic and is a big worry through to December. Hospitality needs a strong December to get through January, February and March. UKG have done an incredible job putting Furlough forward and for SME's to survive, can't go into December with a lockdown as it would be disastrous.

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- Unease around coming out of the FB and for rest of the year, some members agree it would make sense to stay in lockdown until the end of November as following the science doesn't make sense to open with 740 cases per 100,000. Others expressed that they were pleased the WG were reopening after the 9<sup>th</sup> November.

Official refers to the importance of recovering the way of life for the wellbeing of the public. It's not just about opening the sector for Christmas it's about the sector being part of the society needing to have opportunities to meet friends and relatives in a regulated environment.

Official discusses that going into the FB was a view of getting to Christmas and beyond. From Monday, not merging into a free for all, there is guidance with restrictions in place. Worst-case scenario of another FB, there would be packages in place to support the industry.

- Concerns around the Chancellor extending Furlough until March. Comments around further lockdowns in England influencing Wales.
- Discussion around not adopting tiers. Suggestions on targeting the measures in high incidents areas. Examples of some businesses deciding to stay closed, worry around the lack of tiers coming out of lockdown.

Minister discusses no plans for a tiered approach. In an ideal world want the situation where the virus is at a stage to do serious TTP and chase the virus down on a hyper lockdown level. The Minister discusses using these weeks to improve the testing regime as figures on tracing is amazing compared to England with around 88% tracing. Lighthouse testing system has let us down in England so trying to transfer testing to PHW. Have to get the right balance and a lot of capacity at the lighthouse system. Will have to reassess in the next review on the 19<sup>th</sup> November.

Jason Thomas provides a quick run through of the week and the week ahead. Urgent ask for the group to start flagging the Winter and Christmas issues (**Action - group**). Intend to have a 4-nation approach and this is a way of feeding into that.

Official discusses the financial support packages. Aware Furlough scheme has been extended and ERF 3 has accepted final submission from SME's and Micro businesses.

- Members highlight lessons learned from ERF 3 in preparation for ERF 4. Suggestions around streamlining the application system and reducing the applicant queries to the helpline, which was inundated. Helpful approach would be to view the form to study in advance.

Discussions among the group on the technical issues with the WG system. Official confirms that experts looked into this and WG system didn't crash even though that's the perception. ERF 4 will plan and address these issues going forward. In terms of numbers, with ERF 3 over £140m worth of applications received within 27hrs. £7m worth of duplications and 500 applications totalling a value of £30m with only £20m ring-fenced for this sector.

- Discussion around future support and suggestion around the idea of topping up Furlough with the 20% element. Concerns around JRS being suspended and businesses based their planning on that income. Request to re-think and provide an extension on VAT from the 31<sup>st</sup> of March at 5%.

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- Fear of Mental Health issues to businesses with debt problems. Helpful for a separate meeting with Ministers to address **(Action)**.
- Concerns surrounding Wedding venues and events; need to address this as a single issue with a hardship fund.

Official said the UK Government are more than aware to support events venues, convention centre and supply chains. This needs to become priority, with possibility of a hardship fund.

- Appeal for the small service sector, particularly B&B. Still receiving information about businesses falling through the cracks for support e.g. self-employed income support scheme and discretionary grant. Request for 2 households element in self-catering to be reviewed.
- People are seeing demand from within Wales, good to have a discussion on promoting to the Welsh market. Importance of directing some spend to DMO's showing support. Unique opportunity to do some great research to the home market and need to take advantage.

Officials discuss the issues around promoting Visit Wales sensibly and delicately e.g. VisitWalesLater & Addo campaign encouraging local tourism within the PHW context. Wider planning on proactive PR around I'm a Celeb to promote the Welsh experience. Huge positivity, capitalising on the Welsh message as being responsible and safe. Looking at gifting experiences, encouraging vouchers for next year and supporting the industry. Important from a marketing and comms point to look at what people in Wales are searching online and cater for that bilingually to fulfil the market and build.

- Concerns of business owners who are paid by dividend, seen an increase from 50%-80%, unfortunately these businesses haven't been making money at all. Within Companies House, it's unlawful to take earnings with insignificant funds. They have zero income and will lead to welfare issues and potential criminal activity – which is already happening in rural areas.
- Members conveyed that business is good in remote parts of the country. Same opportunity achieved as last November without the funding revenue on top. However, an understanding around businesses that rely on the English market.
- Discussion around the VW barometer survey of 801 businesses, which reports 44 redundancies. Explains how the UKH have a very different report. Concerns, if the barometer is a policy document, could lead to corrupt decisions.
- Request for a senior health professional to come and speak to the industry **(Action)**.

Official reassures that WG and UKG are always looking at wide range of research with partners feeding in to inform policy at all levels to help with the decisions making progress. The barometer is one source and there are other administrative data sources, which could be presented to the group.

Overall discussion from members and officials on future deals, budgeting process and investment. The positivity in different areas of Wales is encouraging for future investment. The industry is going to be in a strong place, but for now important to focus on businesses surviving. Wider sector needs to think of adapting to a different kind of market for the future and modernise the offer. This whole process has demonstrated how important the industry is to the Welsh economy with an opportunity to go above 100% of 2019 with the right encouragement.

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Sean Taylor explains his decision to close Zip World until the 1<sup>st</sup> February and how furlough has been so beneficial keeping 260 people in jobs and 26 people full time. ST mentions in relation to VW gifting experience around the possibility of using Zip World's database for supporting businesses that are open for Christmas.

Official mentions the fast testing programmes on UK level in relation to events with 7 different missions. Difficult within the regulations to say what Public Health wants and what the industry wants.

- The logic behind the restrictions is part of the problem with the household element and the 10pm curfew. Shame for businesses to open and have the opportunity controlled. 3 households on a table of 6 as a compromise for 4 individuals from more households offers the opportunity to combine and spread the illness. The dwelling time is a good piece of negotiations moving to 2hrs and discusses the importance of having the health logic behind these consequences.

Official explains the longer people dwell indoors sat down, there is aerosol build up and can lead to transmission. Intention of the guidance is reducing dwelling time. Best compromise, to allow the industry to make best endeavours to be commercially viable by also addressing the health concern.

Deputy Minister said it's important that it's a continuing battle for the needs of the Tourism industry to be understood across the WG. Point has been made, with the move towards greater openness in the system. DM discusses the Tourism industry can offer the Welsh Economy a unique product and experience - no other business as customer focused as the Tourism industry. PHW argument and the Economic argument within WG doesn't see this and fails to convince that the Tourism industry is a way were the PH and economy can work together.

Jason Thomas closes the meeting with internal staffing issues and discusses that the First Minister will be at the next meeting on the 18<sup>th</sup> November.

Ffion Evans-Humphreys,  
12<sup>th</sup> November 2020